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Thailand

Grain and Feed

Weekly Rice Price Update

2004

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Report Highlights:

Export prices declined further due to continued stagnant demand, but prices are expected to level off soon.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Bangkok [TH1]
[TH]

Indicative Prices (Week Ending Sep. 27):

Thailand: Export (FOB) Prices for various grades of rice (USD/M.T.)									
	Exporter Observations							Period Avg.	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	380	350	433	401	400	350	390	386	393
WR 100 B	235	235	246	236	235	235	230	236	238
PB 5%	235	237	250	249	250	250	240	244	249
WR 5%	230	230	240	231	234	230	225	232	233
WR 10%	226	225	235	229	232	228	220	228	230
WR 15%	224	222	230	226	229	226	215	225	226
WR 25%	216	218	229	222	224	220	210	220	223
WR 35%	214	215	228	219	222	218	205	217	220
A 1 SUP	192	195	219	195	208	199	185	199	208
A 1 SPEC	190	194	218	192	206	-	183	197	207
Source: Average actual prices received from exporters									

Market Tone

Export prices for most grades of rice declined further due to continued stagnant foreign demand. Trade sources reported that trading activities were confined only to small volume. Meanwhile, major buyers are waiting for further price reduction, following the downward pressure on prices. Parboiled rice prices dipped significantly, as most buyers shifted to relatively cheaper Indian parboiled rice. Also, the effective tariff rate that Nigeria, a major importer of parboiled rice, charged to Indian rice is relatively cheaper than Thai rice by about US\$ 80/ton. In addition, prices of low-grade white rice, broken rice in particular, declined considerably, as most current major pending shipment is limited to Iran and Iraq, which normally import only high-grade white rice. As a result, prices of broken rice moved back to level at the beginning of this year. As for fragrant rice, prices continued to decline as local millers reportedly aggressively released the stocks, in particular those who are in flooding areas. However, it is expected that domestic prices will likely level out, as the government intervention price program will start by Nov. 1, 2004, when the intervention prices are finally set at around 1,300 Baht/ton (roughly US\$ 32/ton) up from the previous year's level, or the intervention price for 100% grade white rice paddy will be at 6,600 baht/ton (roughly US\$ 161/ton).

The following are reported rice exports (as is basis):

WEEK ENDING	QUANTITY	4-WK AVG	YEAR TO DATE	YEAR AGO
	(MT)	(MT)	(TMT)	(TMT)
AUG 8	146,493	177,758	4,547	2,799
AUG 15	125,322	164,521	4,672	2,912
AUG 22	126,229	146,722	4,798	3,052
AUG 29	159,721	139,441	4,958	3,180
SEP 5	96,277	126,887	5,054	3,277
SEP 12	112,729	123,755	5,167	3,406
SEP 19	174,336	135,781	5,342	3,510
SEP 28	221,118	151,131	5,563	3,524

Note on data: Export figures since March 22, 2002, do not include fragrant rice. The authority to report fragrant rice exports was moved from the Thai Board of Trade to the Ministry of Commerce's Office of Commodity Standards, which does not release official fragrant rice export data. FAS/BKK will report only official export numbers from the Board of Trade for non-fragrant and from the Office of Commodity Standards for fragrant rice when available, but the reader should bear in mind the difference between the data.

Unofficial exports (excluding fragrant rice) for Sep. 20-26, 2004 totaled 221,118 tons, up 46,782 tons from the previous week's total and up 69,987 tons from the four-week moving average of 151,131 tons. Exports during Jan. 1 – Sep. 28, 2004 totaled 5,562,644 tons, compared with 3,524,281 tons during the same period in 2003.

According to the Department of Foreign Trade, Ministry of Commerce, total rice exports (including fragrant rice) during Jan. 1- Sep. 13, 2004, amounted to 6,612,831 tons, up 35 percent from 4,883,824 tons in the previous year.

Weekly Rice Sales

Private registered rice export sales for the period of Sep. 6-10, Sep. 13-17, and Sep. 20-24, 2004 are as follows:

Movement (MT)	Sep. 6-10	Sep. 13-17	Sep. 20-24
weekly sales	174,302	203,808	129,463
4 week sum	638,904	716,124	687,585
4 week mov. avg.	159,726	179,031	171,896
Total weekly sales	5,977,951	6,181,759	6,311,222

End of Report.